



DISASTER NEWS

Loans for Homeowners, Renters and Businesses of All Sizes

SBA Disaster Assistance – Field Operations Center- East – 101 Marietta Street, NW, Suite 700, Atlanta, GA 30303

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Contacts: Mark Ihenacho

Release Number: 09-431, TN 11718 / 11719

Phone: 404-331-0333

Do Not Wait For Insurance Settlement; SBA Urges Return of Applications – Deadline to Apply June 22

ATLANTA - The U.S. Small Business Administration is reminding victims in eligible Tennessee counties they should not wait to settle with their insurance companies before applying for disaster loan assistance. The SBA encourages victims of the April 10, 2009 tornadoes to return their completed applications, even if they have not settled with their insurance company. Waiting to file an SBA application could cause unnecessary delays in receiving disaster assistance.

“Victims are urged to complete and return their SBA disaster loan application by the June 22, deadline,” said Frank Skaggs, Director of SBA Field Operations Center East. “SBA is here to help you with your recovery efforts. I encourage anyone who has not completed their disaster loan application to do so and return it as quickly as possible,” Skaggs added.

If a victim does not know how much of their loss will be covered by insurance or other sources, the SBA will consider making a loan for the total loss up to its loan limits, provided the borrower agrees to use insurance proceeds to reduce or repay their SBA loan.

Disaster loans up to \$200,000 are available to homeowners to repair or replace damaged or destroyed real estate. Homeowners and renters are eligible up to \$40,000 to repair or replace damaged or destroyed personal property.

Businesses of any size and most private non-profit organizations may borrow up to \$2 million to repair or replace damaged or destroyed real estate, inventory, machinery and equipment and other business assets. The SBA also offers mitigation funds to disaster victims based on 20 percent of the verified physical damage. These funds are designed to help borrowers pay for protective measures to minimize damages of the same kind in the future.

For small businesses, and most private non-profit organizations of all sizes, the SBA offers Economic Injury Disaster Loans to help meet working capital needs caused by the disaster. Economic Injury Disaster Loan assistance is available regardless of whether the business suffered any physical property damage.

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Interest rates can be as low as 2.187 percent for homeowners and renters and 4 percent for businesses with terms up to 30 years. Loan amounts and terms are set by the SBA and are based on each applicant's financial condition.

To be considered for all forms of disaster assistance, victims must first call the Federal Emergency Management Agency (FEMA) at 1-800-621-FEMA (3362).

Victims unable to visit the Centers may obtain applications and program information by calling the SBA's Customer Service Center at 1-800-659-2955 (1-800-877-8339 for the hearing-impaired), Monday through Friday from 8 a.m. until 9 p.m. EDT, (Closed in observance of Memorial Day) or by sending an email to disastercustomerservice@sba.gov. Business loan applications can be downloaded from the SBA website at www.sba.gov/services/disasterassistance. Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

Victims may visit SBA's secure Web site at <https://disasterloan.sba.gov/ela/> to apply for disaster loans.

The deadline for physical loan applications is **June 22, 2009**; the deadline for economic injury applications is **January 25, 2010**.

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For more information about the SBA's Disaster Loan Programs, visit our website at www.sba.gov/services/disasterassistance.